National Commodities Exchange at Hyderabad

1874. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI K. RAMA MOHANA RAO:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether his Ministry has received any request from Government of Andhra Pradesh for establishing the National Commodities Exchange at Hyderabad;

(b) if so, when such a request was received.

(c) the action contemplated thereon;

(d) whether the State Government has also requested for release of Rs. 75 crores from sugar cess for Research and Development activities on sugarcane; and

(e) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD): (a) Yes, Sir.

(b) The Chief Minister, Andhra Pradesh *vide* his letter dated 15th February, 2000 had requested for setting up the National Commodities Exchange at Hyderabad.

(c) Commodity Exchanges (including National Commodity Exchange), are not Government Organization. They are constituted by willing private bodies/persons on voluntary basis and are registered under Companies Act. Central Government acts as a facilitator.

(d) Yes, Sir.

(e) As per the Sugar Development Fund Rules, 1983 Grant-in-Aid for research projects relating to sugar industry can be given on merit only to established institutions connected with the same. Funds cannot be placed at the disposal of State Governments on lump sum basis. As such the request of the Government of Andhra Pradesh could not be acceded to.